

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF JOHN ALDON TALL) APPEAL NO. 06-A-2470
from the decision of the Board of Equalization of) FINAL DECISION
Fremont County for tax year 2006.) AND ORDER

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing January 5, 2007, in St. Anthony, Idaho, before Board Member David E. Kinghorn. Board Member Lyle R. Cobbs participated in this decision. Appellant John Tall appeared for himself. Assessor Ivel Burrell and Appraiser Mike Jones appeared for Respondent Fremont County. This appeal is taken from a decision of the Fremont County Board of Equalization (BOE) denying the protest of the valuation for taxing purposes of property described as Parcel No. RP00066026033A A.

The issue on appeal is the market value of residential property.

The decision of the Fremont County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$129,500, and the improvements' valuation is \$631,799, totaling \$761,299. Appellant requests the land value be reduced to \$119,047.40, and the improvements' value be reduced to \$381,170, totaling \$500,217.40.

The subject property is a single family residence located on 1.63 acres in Island Park Subdivision in Fremont County.

Appellant referenced a letter dated June 29, 2006 from the Fremont County Assessor, stating that following a sales ratio study conducted by the State Tax Commission, property values in some categories were not in compliance with Idaho statute. The County BOE ordered the Assessor to increase the assessed values of property in certain categories in order to meet state requirements.

Appellant testified subject land was inherited and a new residence was built. The cabin

was destroyed in 1997. In 1999 a replacement cabin was constructed.

The 2006 assessed value increased to \$761,299, or a 153% increase. Appellant did not understand why the assessed value increased so tremendously in one year for property that is not useable year-round.

Appellant submitted a Square Foot Appraisal Form completed by a realtor. The indicated value was \$482,426 and the report was dated December 30, 2006.

The County Appraiser explained real estate values have changed dramatically in the past few years. The County described the realtor's appraisal as an estimate rather than an actual appraisal, which included both residences in the cost buildup.

The Appraiser explained there were three sales in subject's subdivision at the time the ratio study was conducted by the Tax Commission. The comparison of sale prices to assessed values indicated assessed values were 51% below market. A 51% positive trend factor was applied to the 2005 assessments of properties in subject's area.

Since that time more sales have been received in subject's area. The County Appraiser referenced a June 1, 2006 sale very comparable to subject. The 2,760 square foot residence with a detached garage sold for \$450,000, or \$140 per square foot. This residence was built in 1992 and is classed the same as subject residence. This property is not located on the water like subject. Another July 1, 2006 sale was for \$350,000, or \$120 per square foot.

The County Appraiser explained that all areas of the County did not receive the same trend. Trends are based on the sales in individual areas. Subject was last inspected in 2002.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to

support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Appellant protested subject's one-year 151% increase in assessed value. A square foot cost appraisal form was offered from a realtor, indicating a land value of \$135,000 along with the building and yard improvements for a total estimated value of \$482,426. The County Appraiser noted several inaccuracies in the cost appraisal form. The cost form appeared to include two residences in the total square footage calculation. The realtor did not support the value opinion with recent, proximate sales of similar property. The amount of land and justification for the value was not included.

The County Board of Equalization ordered subject's assessed value increased to reflect current market value. The trend was developed from recent market sales according to the Assessor.

63-205. ASSESSMENT -- MARKET VALUE FOR ASSESSMENT PURPOSES. (1) All real, personal and operating property subject to property taxation must be assessed annually at market value for assessment purposes as of 12:01 a.m. of the first day of January in the year in which such property taxes are levied, except as otherwise provided. Market value for assessment purposes shall be determined according to the requirements of this title or the rules promulgated by the state tax commission

Market value is defined in Idaho Code. The following code section contains the legal definition.

§ 63-201. DEFINITIONS. As used for property tax purposes in title 63, chapters 1 through 23, Idaho Code, the terms defined in this section shall have the following meanings . . .

10) "Market value" means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable

time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

The value of property for purposes of taxation as determined by the assessor and Board of Equalization is presumed to be correct; and the burden of proof is upon the taxpayer to show by a preponderance of evidence that he is entitled to the relief claimed. Idaho Code § 63-511(4).

In this case Taxpayer has not convinced the Board the assessment of subject is in error. Appellant has not demonstrated the presence of an arbitrary or capricious assessment. The assessed value was based on, and related to, sales information. We find Appellant has not supported the claim for relief. Therefore the decision of the Fremont County Board of Equalization is affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Fremont County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

DATED this 9th day of April, 2007.